

Oak Street Area Land Use Refinement Plan

September 1, 2020

The City of Forest Grove is preparing a Land Use Refinement Plan for the Oak Street Area. The Oak Street Area Plan process will evaluate a variety of potential uses for the site by developing several land use alternatives before selecting a preferred concept that best positions the area for future development reflecting community desires and needs.



The nearly 100-acre Oak Street Area site is located along Highway 47 and just ½ mile from downtown. It is relatively flat and vacant, providing good flexibility for a variety of uses. Long designated for industrial use, a 2011 plan proposed a mixed-use, transit-oriented development at the site. Several recent studies provide new information to consider when assessing future plans for the site:

- The City has a surplus of industrial lands over the next twenty years and a deficit of mixed use and/or commercial lands for current needs
- Significant investment needed to serve the site with water, sewer and stormwater infrastructure limits the site's marketability for industrial development
- While the City has sufficient land to meet 20-year housing needs, residential uses in the Oak Street area could help the City meet state requirements for needed housing including affordable housing types.

Early efforts to engage key stakeholders include interviews to better understand the current conditions, opportunities, and constraints affecting the Oak Street Area. Interview responses will help in the development of future land use alternatives. Nine interviews were conducted between July 22nd and September 1st, 2020. Interviewees included site and adjacent property owners, economic development and real estate specialists, and regulators. A list of interviewees is included as Appendix A.

Key Observations

- Adjacent properties are zoned for multifamily; most current adjacent uses are residential
- Area has Enterprise Zone (employment uses) and Opportunity Zone designations.
- BPA power lines are a constraint that segments the property
- Can provide a diverse mix of housing types to address city housing needs
- Close to downtown, employment centers, and transit
- Consider mix of residential, commercial/retail, and industrial
- Future Council Creek Trail is an amenity for multi-modal transportation and recreation
- Good access on Hwy 47
- Important component of the city's inventory of industrial lands
- Land is flat with few environmental constraints
- Majority property owner interested in selling to active buyer for 72-acre residential development
- Market demand for industrial, commercial/retail and apartments
- Need for commercial/retail including grocery store
- Plans underway for event center in the southwest corner of the area
- Viable plan needed to finance and develop infrastructure

The following is a compilation of comments from the stakeholder interviews.

What would you like to see happen in the Oak Street Area?

- Have seen little interest in 72-acre property until recent interest for residential and are interested in selling if zoning is changed. This is a significant opportunity to develop needed housing, with a willing buyer and seller.
- Not a big need currently for office space. Retail locations that have visibility are in demand. Need for more apartments. For retail, smaller restaurants and food vendors of 2,000 sf or less, some drive through. The COVID-19 pandemic impacted the office and retail sectors, but not the industrial sector. Office and retail will see a shortfall in a few years. A grocery store would be viable for people who want to shop locally. Not a superstore. For this area, could see a phased approach of retail and homes, then apartments, then light and heavy industrial.
- Project in the works to develop an event center on the western property just north of the railroad tracks. Event center for outdoor concerts and events. Not sure about the proposed number of seats. Could pair a commercial development with it. Residential development in the area is less desirable as it may conflict with the event center use. Not interested in selling the land.
- Several studies have been done on the site, including the TOD Plan, Washington County study and more recent Industrial Toolkit to see if applying different tools provides a roadmap to industrial development. If the whole area is taken out of industrial use, the city's surplus of industrial land is gone and that is a problem for the city and with Metro. Other industrial areas in the inventory have light industrial or hybrid zone designations or are smaller sites not yet inside the UGB. There are some larger commercial parcels in the inventory, but they allow mixed use and requirements for commercial space are low. If industrial as the sole use is not viable, perhaps a mix of residential, commercial and industrial uses could make it viable. Downtown is mostly small, local businesses. Here there is a need for a node of commercial uses including smaller-footprint chain stores.
- Should have a significant residential component; the demand is there, and it provides a tax base for the city. No strong opinion about whether a portion should be retained for industrial use.

Walking distance to transit on TV Highway. Potential Council Creek Trail would be a nice amenity. Market factors point to a stronger demand for residential than for industrial.

- There are a lot of homes in the area and more homes are needed. People have to travel to Hillsboro to shop. Commercial/retail would be good for this site so residents can shop locally. It also would be a good location for a park, especially if MAX comes to the rail corridor in the future. Always looking for more jobs as people have to travel for work. A mix of commercial and residential would be best.
- Unique opportunity to develop a residential community with small commercial node or plaza. BPA transmission corridors can be used for linear green space. Establish connections with established parks and trails systems. Discussions are underway to convert the railroad tracks to the south to the Council Creek multi-modal trail. Walking and biking access to downtown and existing commercial and retail businesses. Residential community would support nearby retail.
- Want to retain current light industrial and residential uses on my adjacent property.
- Would like to see it developed. There is no demand for industrial land, so leaning toward multi-family. Up in the air as to whether or not to sell the property.

What are the opportunities and challenges to development in the Oak Street Area?

Opportunities

Site Characteristics

- Land is flat with few obstructions. Wetlands aren't an issue.
- Protect natural resource areas and incorporate them as a community benefit. Wetland habitat along the western boundary, oak tree groves, BPA easements, stormwater treatment facilities.

Residential

- Amend the comprehensive plan and zoning in a manner that provides opportunity for a financially viable plan to encourage development.
- Can provide a mix of housing to address city housing needs.
- Connect this area to downtown and local employment centers.
- Council Creek Trail is an opportunity to convert railroad tracks to pedestrian path, bicycle path and transit.
- More suited for residential development since there is residential development on adjacent properties.
- There is no demand for industrial use and the property is surrounded by multi-family. The market dictates residential due to the housing shortage.
- Within walking or biking distance of amenities and services, such as restaurants, retail, parks, schools, jobs, transit and downtown.

Employment

- Area has Enterprise (industrial) Zone and Opportunity Zone designations.
- Food industry opportunities in Forest Grove, as well as windows and blinds.
- Opportunities for wine facilities, retail, commercial and industrial. Mixed use residential or apartments. Grocery store. Potentially other light industrial uses related to agriculture and wine industry, food processing, winery or wine industry.

Infrastructure and Transportation

- Good transportation access from highway 47.

Challenges

Employment

- Commercial and industrial uses may take time to develop.
- Far enough west and from Highway 26 that it is not as attractive for industrial use.

Infrastructure and Transportation

- BPA lines are a challenge. Need to ensure that development does not block access to the BPA line segments or structures. No structures are allowed within the easements, which are 100-150 feet corridors. Walking trails are acceptable. Improved road that follows transition line in Silver Stone is a good example.
- Infrastructure is needed to get the land shovel-ready. Need an infrastructure plan that is physically and financially feasible. Do capital improvement plans and master plans for the city's service area need to be adjusted to make a plan viable?
- Overcoming the challenges of BPA lines. Maybe develop apartment complexes around the lines like was done in Rock Creek. Use them for green spaces.
- Street network needed to provide access and circulation.
- Transportation System Plan (TSP) had too many roadways, some ODOT would not allow, that chopped up the area. Need to be flexible with potential roadways.
- Upgraded railroad crossings are needed and are expensive.

What factors should be considered when determining future land uses in the Oak Street Area?

- Better connectivity for the city through connection of existing stub street through the site.
- Can provide a mix of housing that provides for diversity and sustainability over time. Help meet housing needs and support future job growth.
- Cannot over-burden the community with oversizing infrastructure improvements and costs. Proportional share of impacts needs to be completed by the development for its impact to the services. It is key to return investments timely for oversizing infrastructure improvements to make the community financially viable.
- Capital Improvement Plans need to be updated to support infrastructure. Look at reimbursement districts and/or LIDs for options to make development financially viable to meet the service needs of the Oak Street Area.
- Define affordable housing for rent or for sale, or a mix of both, and how affordable will be measured by the city. Affordable housing helps with absorption, but cannot support lot costs. What are the city's housing goals? Middle housing? Multiple generation housing? Need to understand how it can be financed. Having a diversity of housing types makes affordable housing viable.
- Eastern property side on Hwy 47 where Martin Rd. comes in, water pipeline and easement, would have to be factored in. Can either deviate pipeline or build it into the plan.
- Neighborhood store makes sense to support that end of town. A 20,000 sf health food grocery store is in development.
- Plan for ways to combine uses to protect natural resources and provide active open space uses. Example: use of the BPA lines for linear park and trail systems. Nature play parks combined with tree preservation areas/parks.
- Transitional mixed-use zones within a concept plan for live/work options can provide a future opportunity for jobs and a sustainable business practices for the community.
- What design considerations can be incorporated into a residential plan to provide access to the downtown core and increase shopping opportunities? Additional residential homes will naturally increase the demand of services.
- What is the current need / demand locally for this property and other sites zoned for commercial use being used or fully occupied?

- What is the current need / demand locally and other sites zoned for employment use being used or fully occupied?
- What is the city's current employment need and is this the right place to provide major employment given that there is currently an excess of industrial land in the city?
- What will crossings/intersections of the railroad/Council Creek Trail look like?

Is there anything else you'd like to share about the Oak Street Area Plan project?

- Have heard discussions about desired retailers and grocery store has been mentioned as Safeway is the only large local grocery store.
- It comes down to supply and demand and the property is surrounded on three sides by residential use.
- Many positive opportunities for success. The land is located near jobs, retail, services, amenities, transportation and has willing land sellers. With the right balance, the Oak Street Area can become a great new addition to the City of Forest Grove in the near future.
- Start with mixed use, then apartments, then light and general industrial. Truck traffic and noise would need to be buffered from residential uses. Explore opportunities for companies to buy a manufacturing facility rather than leasing. Ownership opportunity for smaller commercial tenants as well. Developer can build to suit or build a shell and partition the land and then sell for the purchaser to finish the building. Flexible building types that can be converted as needed.

APPENDIX A. INTERVIEWEES

Name	Affiliation	Interest
Tim B	Norris-Stevens	Real Estate
Jim Clark	Bonneville Power Administration	Regulator
Kevin Emerick	Woodfold Manufacturing, Inc., Forest Grove Economic Development Commission	Economic Development
Craig Enstrom	Service King	Adjacent Property Owner
Jeff King	Forest Grove Economic Development Manager	Economic Development
Richard Komraus	Free Masons	Property Owner
Steve Matiaco		Adjacent Property Owner
Javier Camacho Urenda	Forest Grove Economic Development Commission	Economic Development
Allan Wedderburn <i>Dave Cady</i> <i>Stacy Connery</i>	Woodfold Manufacturing, Inc. <i>DR Horton</i> <i>Pacific Community Design</i>	Property Owner